

REMARKS

This responds to the Office Action mailed on August 23, 2006.

Claim 25 is added, no claims are amended, and claims 6-7 and 12-24 are canceled; as a result, claims 1-5, 8-11, and 25 are now pending in this application.

For the convenience of the Examiner, Applicants' remarks concerning the claims will be presented in the same order in which the Examiner presented them in the Office Action.

New Claim 25

Independent claim 25 has been added. No new matter has been introduced.

Claim 25 recites "A digital content pricing system, comprising: a sales computer to calculate a final price; a memory capable of being communicatively coupled with the sales computer, including a plurality of digital content items; wherein each one of the plurality of digital content items is associated with a base price and at least one item configuration option associated with an option price; wherein one of the plurality of digital content items is associated with the final price related to the base price and the option price by a final pricing formula; and wherein the final pricing formula comprises $ITEMPRICEA = ADJA * [BASEA + (OA1*PA1) + (OA2*PA2) + (OA3*PA3)]$, wherein BASEA is the base price for a selected digital content item A, ADJA is an item price adjustment factor for digital content item A, the values OA1, OA2, and OA3 are prices for individual options associated with digital content item A, and the factors PA1, PA2, and PA3 are option-specific price adjustment factors associated with the options OA1, OA2, and OA3

Support for this language may be found, for example, at page 4, lines 4 through page 5, line 29 of the original disclosure.

**Rejection of Claims 1-5 and 8-11 under 35 U.S.C. §103(a)
as Unpatentable over Kay in view of Cansler**

Claims 1-5 and 8-11 were rejected under 35 U.S.C. §103(a) as being unpatentable over Kay et al. (U.S. 2002/0144275 A1) in view of Cansler et al. (U.S. 6,725,257).

To establish a *prima facie* case of obviousness, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine them to arrive at Applicants' claimed subject matter. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in Applicants' disclosure. MPEP §2143.

The Examiner asserts that "it would have been obvious to a person of ordinary skill in the art to have modified the system of Kay to include the teachings of Cansler to allow for the memory to include at least one item configuration option associated with an option price, and to use this option price as the other price to associate with the digital content final price with the pricing formula. Doing so would allow for customers to choose and configure their own customized product in a more efficient and knowledgeable manner..." [emphasis added].

In response, Applicants respectfully assert that it would be counter-productive to combine the teaching of Cansler with Kay, because Cansler is concerned with delivery of a base product to which a number of add-ons or custom configurations are added, whereas Kay is concerned with delivery of a single unalterable product to a customer. For example, regarding the digital movie content delivered in Kay, it would be inconceivable to expect the user-selectable options of selecting additional or replacement actors or a different film background setting. The deliverable products described in Kay and Cansler are simply too diverse to be considered as falling within the same endeavor. There is no teaching, suggestion, or motivation in either reference for an attempt, as the Examiner has suggested, to modify or to provide add-on options for an unalterable product such as a movie. Therefore, the Examiner's proposed combination of the teachings of Cansler and Kay would result in an inoperative system far outside of the described purpose and intent of the Kay disclosure.

Thus, Applicants respectfully assert that a *prima facie* case of obviousness has not been established. First, the Examiner has not provided any teaching, suggestion, or motivation in the references themselves. Secondly, the Examiner has not provided any credible teaching, suggestion, or motivation in the knowledge generally available to one of ordinary skill in the art, to combine the Kay and Cansler references to arrive at Applicants' claimed subject matter.

For the above reasons, independent claims 1 and 8 should be found to be allowable over any combination of Kay and Cansler, and Applicants respectfully request that the rejection of

claims 1 and 8 under 35 U.S.C. §103(a) as unpatentable over Kay in view of Cansler be withdrawn.

If an independent claim is nonobvious under 35 U.S.C. §103, then any claim depending therefrom is nonobvious. MPEP §2143.03.

Claims 4-5 and 9-11, which depend directly or indirectly from independent claims 1 and 8, and incorporate all of the limitations therein, are also asserted to be allowable for the reasons presented above.

Additional Elements and Limitations

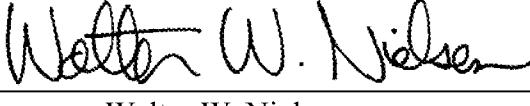
Applicants consider additional elements and limitations of the claims to further distinguish over the cited references, and Applicants reserve the right to present arguments to this effect at a later date.

Conclusion

Applicants respectfully submit that claims 1-5, 8-11, and 25 are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney, Ann M. McCrackin (located in Minneapolis, Minnesota) at (612) 349-9592 or Applicants' below-signed attorney (located in Phoenix, Arizona) to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,
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